



# Verified Impact for Chestnut Carbon

Through FSC® Ecosystem Services





## THE CHALLENGE

# Transforming Marginal Land Into Measurable Climate Impact

Chestnut Carbon, a leader in nature-based carbon solutions, faced a common challenge in the voluntary carbon market: how to credibly demonstrate the broader environmental and social benefits of afforestation beyond carbon sequestration. While buyers increasingly seek nature-positive outcomes, such as biodiversity restoration and community engagement, the market lacks **standardized, independently verified frameworks** to measure and report these impacts.

Chestnut Carbon's properties, currently spanning over **70,000 acres across eight Southern US states**, were primarily fallow fields and marginal lands. These areas had long been cleared for agriculture but were no longer economically viable for crop production. The company saw an opportunity to transform these landscapes into **thriving native forests** but needed a way to validate and communicate the full scope of their impact to stakeholders.

## THE APPROACH

# Verified Impact at Landscape Scale

To meet this challenge, Chestnut Carbon partnered with the Forest Stewardship Council® (FSC®) and became the first organization in North America to apply the FSC Ecosystem Services Procedure under the Verified Impact program, which is intended to drive additional value to forestland owners.

This procedure, revised in 2025, provides a rigorous, third-party audited framework for verifying impacts across seven ecosystem service categories: Biodiversity, Carbon Sequestration and Storage, Water Services, Soil Conservation, Recreational Services, Cultural Practices and Values, and Air Quality.

VERIFIED IMPACT CASE STUDY: CHESTNUT CARBON

## Before implementation, Chestnut Carbon conducted a Social and Biodiversity Impact Assessment (SBIA) to identify expected outcomes.

This process helped ensure that the project would not only restore ecosystems but also engage local communities and align with broader **environmental, social, and governance (ESG) goals**.

The company developed site-specific tree planting plans tailored to each property's soil and climate conditions. Using native species sourced from local nurseries, some sites included up to ten different tree species to promote ecological resilience and diversity. Remote sensing tools, including GIS, satellite imagery, aerial photography, and annual seedling surveys, were

deployed to monitor forest development over time. Importantly, Chestnut Carbon adhered to the **FSC® Pesticide Policy**, which restricts chemical use and prioritizes community and worker safety. By minimizing chemical inputs and eliminating practices like annual tilling and plowing, the project significantly reduced soil erosion and improved long-term land health.

All properties covered under Chestnut Carbon's FSC Forest Management certificate are subject to **annual third-party audits**. As of today, over **31,000 acres** of Chestnut's project land in Arkansas, Alabama, Louisiana, Mississippi, Oklahoma, and Texas has been audited, with the additional acres planted each year in the queue to gain certification post-audit. The ecosystem services claim, focused on biodiversity restoration, has been **independently verified** and registered in the FSC Ecosystem Services Registry.

## SOLUTIONS & IMPACT

# Delivering Verified Environmental, Economic, and Social Value

The transformation of these degraded lands into biodiverse native forests has yielded measurable environmental, economic, and social benefits:



## Environmental Impact

The afforestation effort has reestablished upland and bottomland forest ecosystems that have been absent for decades. By planting native species, Chestnut Carbon is restoring habitat for a wide range of flora and fauna, enhancing **biodiversity**, and improving soil and water quality. The forests are also contributing to **long-term carbon sequestration**, verified through the **Gold Standard's robust auditing process**.



## Economic Impact

As the forests mature, they will generate new forest conditions through natural succession, supporting diverse ecological communities at each stage. To maintain forest health, these forests will eventually need to be thinned, and may yield commercial timber, offering a **sustainable economic return**. Verified ecosystem services also enhance the value of Chestnut Carbon's carbon credits, making them more attractive to buyers seeking **ESG-aligned investments**.

## Social Impact

The SBIA process ensured that local communities and stakeholders were engaged from the outset. By following FSC's pesticide guidelines and minimizing chemical use, the project protects **community health and worker safety**. The shift from marginal agriculture to sustainable forestry also improves land use and resilience, offering **long-term benefits to surrounding populations**. Additionally, portions of the land are being used for low-impact recreational activities such as hiking or fishing and as a limited community resource for education.

## CONCLUSION

# A New Standard for Verified Nature-Based Impact

Chestnut Carbon's pioneering use of the FSC® Ecosystem Services Procedure demonstrates how afforestation can deliver **verified, multi-dimensional impact at scale**. By restoring native forests across the Southern US and validating biodiversity outcomes through **independent audits**, the project sets a **new standard for nature-based solutions** in the voluntary carbon market.

For investors and partners seeking **credible, measurable, and transparent impact**, Verified Impact offers a pathway to support projects that go beyond carbon, delivering **lasting environmental, economic, and social value**.

If you would like to learn more about how FSC Verified Impact can benefit your organization or project, contact Tom Kain at [t.kain@us.fsc.org](mailto:t.kain@us.fsc.org).